Briefing

Pre-European Council Briefing



13 December 2016

Outlook for the 15 December 2016 European Council

At their 15 December 2016 European Council meeting, EU Leaders will mainly discuss migration, and internal and external security, as well as economic and social development. Particular attention will be paid to assessing the implementation of previous European Council conclusions. For the first time, the European Council will apply recently-agreed new working methods, including a change in the order of proceedings: The meeting will begin at 12:30 and finish by 18:00, with the European Parliament President speaking to the Heads of State or Government before lunch. Unusually, this European Council will consist only of a one-day meeting, followed, however, by an informal dinner of 27 Heads of State or Government, without the presence of the British Prime Minister, Theresa May. The objective is to discuss among the EU-27 the structure and the process of the negotiations to be held once the United Kingdom formally notifies its intention to withdraw from the European Union under Article 50 TEU.

I. Migration

• Partnership frameworks on migration

Following a request by EU leaders at their 20-21 October 2016 European Council meeting, the High Representative/Vice-President of the Commission (HR/VP), Federica Mogherini, will present an update on progress with priority countries (Ethiopia, Mali, Niger, Nigeria, and Senegal), and outline the results achieved in terms of arrivals and returns. She is expected to outline the different levels of progress in the five existing priority countries. EU leaders will most likely call for continued engagement and intensified cooperation with the current partner countries, and for the potential extension of the partnership framework to other countries.

External investment plan and EIB external lending mandate

EU leaders will welcome progress with the <u>external investment plan</u>, which is a new approach to the way the Union supports sustainable development, inclusive growth, economic and social development and regional integration outside Europe, specifically addressing the root causes of migration. They are expected to reiterate <u>earlier calls</u> on the co-legislators to decide on this file swiftly. Heads of State or Government will also welcome the progress on the European Investment Bank's (EIB) <u>external lending mandate</u>, an initiative to support regions outside Europe which are significantly affected by the refugee crisis. Leaders will also take stock of another EIB action, the <u>'resilience' initiative</u> for the EU's southern neighbourhood and the Western Balkans, which they requested <u>in March 2016</u>, and which was previously presented by EIB President Werner Hoyer to the European Council of 28 June 2016.

• Implementation of the EU-Turkey statement

The European Council will assess and reaffirm its commitment to the implementation of all aspects of the <u>EU-Turkey statement</u>, and call for their full implementation, including:

o the return to Turkey of all new irregular migrants crossing from Turkey to the Greek islands;

¹ For further details on the newly agreed working methods see Eurocomment European Council Briefing Note 2016/6.

- the resettlement from Turkey to the EU of Syrian migrants corresponding to the number of illegal migrants returned to Turkey;
- speeding up the disbursement of the initially allocated €3 billion under the <u>facility for refugees in</u>
 <u>Turkey</u>, and additional funding for the facility of up to an additional €3 billion until the end of
 2018;
- the fulfilment of the visa-liberalisation roadmap, to be accelerated with a view to lifting the visa requirements for Turkish citizens, at the latest by the end of June 2016, provided that all benchmarks have been met.

In particular, the last point has been debated intensively since the EU-Turkey statement was agreed, with the prospective date for visa-liberalisation being adjusted repeatedly. The European Commission has reported progress on the implementation of the EU-Turkey statement but called upon Turkey to 'take the necessary measures to fulfil the remaining visa liberalisation benchmarks as soon as possible'. The European Parliament, in its resolution on EU-Turkey relations of 23 November 2016, highlighted that 'Turkey has not fulfilled 7 out of 72 benchmarks of the visa liberalisation roadmap'.

Reform of the common European asylum system

As <u>announced</u> by European Council President Donald Tusk at the last European Council meeting, on 20-21 October 2016, and in accordance with the <u>Bratislava declaration and roadmap</u>, EU leaders will consider concrete proposals on the question of solidarity among Member States during the migration crisis. Following previous criticism by Visegrad countries (Hungary, the Czech Republic and Poland) of the EU legislation on compulsory relocation of refugees between Member States, which called for a change to the approach for Member States to show solidarity, the Slovak Presidency of the Council of the EU made a <u>proposal</u> on 'effective solidarity'. This outlined alternative forms of solidarity, besides relocation, for Member States that face high levels of migrant arrivals. These include, for example, financial contributions to the Member State in question, increased contributions to the <u>European Asylum Support Office (EASO)</u> and the <u>European Border and Coast Guard (EBCG)</u>, and transfer of responsibility for the return of unsuccessful asylum applicants. EU leaders are expected to invite the incoming Maltese Council Presidency to carry forward work on this proposal.

II. Security

Internal security

EU leaders will review progress on various elements of the European agenda on security, welcoming the results on the Counter-Terrorism Directive and calling for swift adoption of related legislation, such as the proposals on firearms and anti-money-laundering, as well as the implementation of the Passenger Name Record (PNR) Directive. Following the debate in the 9 December 2016 Justice and Home Affairs Council, leaders are expected to call for effective cooperation between law enforcement agencies and telecommunications companies. Heads of State or Government will welcome the agreement on the amendment to the Schengen Borders Code and are most likely to invite the Council to finalise its position on the Entry/Exit System (EES) to register entry and exit data of third country nationals, as well as to prioritise its work on a European Travel Information and Authorisation System (ETIAS).

• External security and defence

The Heads of State or Government will most likely consider a 'package' on defence, consisting of the implementation plan on security and defence (IPSD), the European defence action plan (EDAP) and proposals to implement the EU-NATO joint declaration. These documents outline a series of concrete and clearly timed actions aimed at strengthening European defence cooperation, such as a definition of the scope and method of a coordinated annual review on defence driven by Member States, a review of the Athena mechanism, and a review of the capability development plan. These actions are organised along the

three lines identified by the European Council in <u>December 2012</u>, and <u>reconfirmed</u> since: Common Security and Defence Policy (CSDP) visibility; development of capabilities; and fostering the defence market and its industrial base. It remains to be seen whether or not the European Council will prioritise specific actions and call for reporting within defined timelines. It also remains to be seen, through the wording of its adopted <u>conclusions</u>, whether the commitment displayed in the <u>Bratislava declaration and roadmap</u> – 'to decide' – on the <u>IPSD</u> will be <u>completely fulfilled</u>.

III. Economic and social development: youth

European Fund for Strategic Investments (EFSI)

The EU leaders will likely welcome the Council's <u>negotiating position</u> on the Commission <u>proposal</u> to extend and strengthen EFSI. The Commission proposes to prolong EFSI until 2020 and to reinforce its financial capacity, in order to trigger at least an estimated €500 billion of public and private investment in the economy. In line with <u>previous conclusions</u>, the European Council is expected to call on the co-legislators to examine the proposal promptly. In 2015, the European Council endorsed and closely monitored the establishment of the <u>European Fund for Strategic Investment</u>, which is an essential element of the European investment plan – one of the ten key priorities of the Juncker Commission. EFSI <u>performance</u> during its first year in operation, has been <u>assessed</u> in three different <u>evaluation reports</u> and a Court of Auditors <u>opinion</u>.

• Single market strategies

In light of the reflection process on the common future of the EU-27, launched in <u>Bratislava</u> in September 2016 and due to be completed in March 2017, EU leaders will take stock of various single market strategies. In June 2016, the EU's leaders called for the <u>completion and implementation</u> of all single market strategies and action plans by 2018, and adopted an agenda of specific priority measures. This commitment was <u>repeated</u> in October 2016. In the Bratislava declaration and roadmap, the EU-27 envisaged a progress review on the delivery of different aspects of the single market by spring 2017, mentioning the digital single market, capital markets union and energy union in particular.

• Youth-related initiatives and the fight against youth unemployment

In line with its <u>previous</u> conclusions and the objective of the <u>Bratislava declaration and roadmap</u> to provide better opportunities for youth, the European Council is expected to welcome the Commission package of actions '<u>Investing in Europe's Youth</u>'. This includes, among other things, a proposal to establish a <u>European Solidarity Corps</u> for young people, as mentioned by Commission President Jean-Claude Juncker in his <u>2016 State of the Union</u> speech. EU leaders will also address EU actions to support Member States in the fight against youth unemployment. The Commission recently published a report on the <u>implementation</u> of the youth guarantee and the youth employment initiative and has <u>proposed</u> to strengthen EU financial resources to tackle youth unemployment.

IV. External relations

Association agreement (AA) with Ukraine

The European Council <u>is expected</u> to agree on a legally binding decision on the AA, supporting the <u>request</u> of the Dutch Prime Minister, Mark Rutte, for a 'legally binding' solution which will respect both the vote of the Dutch people in the April 2016 referendum and the substance of the AA without creating 'a defence guarantee for Ukraine or be a step towards its eventual membership of the bloc'.

• Russia

EU leaders <u>may</u> discuss Russia, but with the debate most likely to focus exclusively on the deepening crisis in Syria, rather than a continuation of last European Council's <u>discussions</u> on Russia. Although Russia was <u>included</u> on the European Council agenda several times in 2015, EU leaders did not discuss the subject. In <u>October 2016</u>, however, the European Council had a 'deep and principled' discussion on Russia.

Syria

Following HR/VP Federica Mogherini's <u>declaration</u> of 9 December 2016, the European Council will most likely express is 'strong condemnation' of the bombing of Aleppo . The European Union continues <u>to work</u> in cooperation with the United Nations and regional partners on political solutions to end the conflict. EU leaders will most likely discuss Syria, as a <u>follow-up</u> to their previous October 2016 meeting. The Council has twice expanded existing sanctions on the Syrian regime (last extended for a period of 12 months in May 2016), on <u>27 October 2016</u> and <u>14 November 2016</u>. On 12 December 2016, the Foreign Affairs Ministers <u>discussed</u>, over lunch, the situation in Syria.

V. Informal dinner of the 27 Heads of State or Government

Immediately after the European Council meeting, the 27 Heads of State or Government (other than of the UK) will meet for an informal dinner, together with European Council President Donald Tusk and Commission President Jean-Claude Juncker, to set out how they will handle the negotiation process once the United Kingdom has notified the European Council, under Article 50 TEU, of its intention to withdraw from the Union This will be the third time since the British referendum on EU membership, held on 23 June 2016, that 27 members of the European Council will have met informally without their British counterpart. The discussions are expected to include the roles of the respective European Institutions in the forthcoming negotiations. On 29 November 2016, a first technical meeting of the EU-27 took place, to prepare the Article 50 TEU negotiations, convened by Michel Barnier, the European Commission's negotiator in charge of the preparation and conduct of the negotiations with the UK under Article 50 TEU, at which Member States, the European Parliament and the General Secretariat of the Council of the EU were represented. The European Parliament's coordinator on Brexit matters is Guy Verhofstadt.

On 6 December 2016, Mr Barnier gave a first public <u>overview</u> of the work carried out so far, stressing that 'the EU is ready to receive the UK's notification'. He estimates that the negotiation period will have to be shorter than the two years provided for in the Treaty, in part due to the fact that the negotiations will only start after the European Council sets guidelines for the negotiations, and in order to leave sufficient time for approval by the Council and the European Parliament, as well as by the UK. According to Michel Barnier, following activation of Article 50 TEU by the UK government (currently <u>expected</u> by the end of March 2017), agreement would need to be reached by October 2018. He reiterated <u>the principles</u> that will guide the EU-27 position based on the framework set by the Heads of State or Government of the EU-27 in June 2016: EU-27 unity; third countries cannot enjoy better arrangements than Member States; the single market and its four freedoms are indivisible, and thus 'cherry picking' is excluded; and no negotiations will start before notification.

To contact the European Council Oversight Unit, please e-mail: EPRS-EuropeanCouncilOversight@ep.europa.eu

Manuscript completed in 13 December 2016. Brussels © European Union, 2016.

The opinions expressed in this document are the sole responsibility of the author(s) and do not represent an official position of the European Parliament. Reproduction and translation of this document for non-commercial purposes are authorized, provided the source is acknowledged and the publisher is given prior notice and sent a copy.

www.europarl.europa.eu/thinktank (Internet) - www.epthinktank.eu (blog) - www.eprs.sso.ep.parl.union.eu (Intranet)